

Agenda Item G.1.1

Prepared by: D. Painting
Date: June 7, 2000

Report on JTA Meeting

EXECUTIVE SUMMARY

This paper reports the results of the 19th meeting of the Argos JTA.

ACTION REQUIRED

The Operations Committee is invited to note the actions taken by JTA-19 in response to the recommendations of the 33rd Operations Committee (1999, following discussion of the report of JTA-18) and to provide further guidance as necessary.

Report to the OPSCOM on the nineteenth meeting of the Argos Joint Tariff Agreement held in Wellington, New Zealand, 1-3 November 1999

1. The 19th meeting of the Argos JTA was held in Wellington, New Zealand, hosted by the Meteorological Service of New Zealand Ltd. The meeting was held in the week immediately following the 15th meeting of the DBCP in accordance with normal custom. Representatives of twelve participating states attended.

2. The meeting was informed on the expected outcome of the 1999 agreement. The main points to note were:

- (i) Use of the system had continued to expand, encouraged by use of the 'bonus' scheme introduced in 1998.
- (ii) The deficit of income over the agreed JTA share of operating costs was predicted to increase further since 1998 to approximately FRF 4.5M.

3. The discussion on system developments concluded with agreement to introduce the 28bit ID (from the existing 20 bits) in the first half of 2000 to be applied for new programmes or expansions to existing programmes. The meeting was fully briefed on the value to users of the increased communication bandwidth to be made available with Argos 2 (80 kHz) and Argos 3 (110 kHz), compared with the existing 24 kHz band, which was already leading to system interference and loss of data under certain circumstances.

4. During the review of users requirements the meeting considered the following recommendations from the DBCP:

- (i) There was a need to improve data reception and dissemination within the International South Atlantic Buoy Programme (ISABP), which could be effected through the establishment of connections between existing S-band stations potentially available to support the programme and the Argos processing centres. CLS should undertake this work as part of the Argos development programme;

- (ii) An agreement should be concluded between the Argos Operations Committee and the Brazilian Space Agency (INPE) to integrate the planned Brazilian 3-satellite system with Argos-type equipment into the Argos system, in view of the potential benefit of such integration to DBCP programmes;

- (iii) The JTA should continue to emphasise cost control, increased system efficiency and greater usage of data collection and distribution systems within Argos, in view of the likelihood that there would be few new sources of funding for ocean observing networks in the foreseeable future.

The JTA supported these recommendations and CLS/Service Argos was requested to take the necessary actions in response to the needs identified, in conjunction with appropriate bodies .

5. The meeting discussed at length the operation of the JTA under the new set of basic principles adopted at JTA 17 to apply for at least 1998 and 1999. The main points noted included:

- (i) some 60% of countries had been able to take advantage of the bonus as of September 1999, with the total bonus usage being around 26%;
- (ii) at the same time, 1999 was projected to show a further operating deficit for the Argos system of some FRF 2.86M, due primarily to a shortfall of PTT -years in the base figure used at JTA 17 for the implementation of the principles (1119 PTT -years), below the number actually required to balance the Argos operating costs in 1999; this would raise the total accumulated operating deficit in two years to about FRF 4.5M;
- (iii) there was little incentive in the principles for users to increase the base PTT -years, leading to

no increase in income for CLS/Argos;

(iv) no allowance was made in the principles for the effects of inflation on the operating costs in 1998 and future years, this inflation being 1-1.5% in France in 1999;

The meeting had taken note of the view expressed by the Argos Operations Committee and agreed to address the problems identified. Finally it was decided to adopt a five-year plan (2000-2004), firstly to eliminate the annual operating deficit, and secondly to effectively remove the accumulated losses. The essential features of this plan are:

- (i) An annual inflation of 2% would be allowed in Argos operating costs;
- (ii) The JTA share of these operating costs would decrease from the existing 60%, initially by 2% in 2000, and then in increments of 1.5%, to reach 52% in 2004;
- (iii) The monthly Active Platform Fee would be phased in over the period, beginning at FRF 10 per active platform in 2000 to reach FRF 50 in 2004;
- (iv) The basic price per PTT -year would also be increased by FRF 200 per year, beginning in 2000 to reach FRF 27, 000 in 2004;
- (v) The Unused ID Charge would be phased out over the period, subject to annual review;
- (vi) Free access to the third satellite would be provided immediately for animal trackers, within limitations on number of locations; the situation with regard to access to the third satellite would be reviewed at the next meeting, with a view to its eventual introduction for all users.

Best estimates of the various costs and expected incomes under this plan were presented as below:

YEAR	1998	1999	2000	2001	2002	2003	2004	2005
Total (MFF) (inflated at 2%/Yr)	56.04	57.2	58.3	59.5	60.7	61.9	63.1	64.4
JTA Share %	0.60	0.60	0.58	0.565	0.55	0.535	0.52	0.52
JTA cost (MFF)	33.6	34.3	33.8	33.6	33.4	33.1	32.8	33.5
Non- inflated income	31.4	31.5	31.5	31.5	31.5	31.5	31.5	31.5
Number Active PTT			4000	4500	5000	5500	6000	6000
FF/active PTT/month			10	20	30	40	50	60
Active Platform Fee (MFF)			0.5	1.1	1.8	2.6	3.6	3.6
Delta PTT Yr Fee (FF)			200	400	600	800	1000	1000
Adjustment (MFF)			02	0.4	0.7	0.9	1.1	1.1
Annual Loss (MFF)	1.7	2.8	1.6	0.6	-0.6	-1.9	-3.4	-2.8
Accumulated Loss (MFF)	1.7	4.5	6.1	6.7	6.1	4.1	0.7	-2.0

The meeting recognised that a reduction in the accumulated losses would occur only towards the end of the plan, but that the annual operating deficit would be at least partially reduced from the first year. It agreed to review the plan and its operation annually, and adjust as necessary on the basis of experience and better estimates of the different uncertainties.

D J Painting

Chairman, Argos JTA